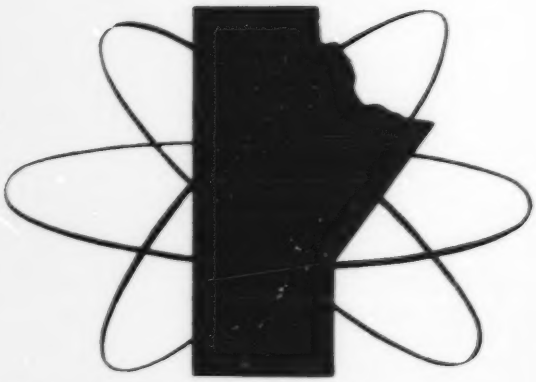
# EIGHTEENTH ANNUAL REPORT

YEAR ENDED DECEMBER, 1982



MANITOBA HOG PRODUCERS' MARKETING BOARD

# eighteenth annual report of the manitoba hog producers' marketing board

MEMBERS

Bill Vaags, Dugald ..... Chairman
Weldon Newton, Neepawa ..... Vice Chairman
Ken Foster, Arborg
Ken Johnston, Killarney
Ed Kleinsasser, Newton Siding
Walter Mazinke, St. Jean
Russ Phillips, Dauphin
Doug Zarn, Reston

ADMINISTRATION

W. B. Munro, P.Ag. ..... Manager
R. L. Sedgwick, P.Ag. ..... Assistant Manager
A. J. Wach ..... Accountant
Mrs. A. Brown ..... Secretary
Ray Bohemier ..... St. Bon. Yard Superintendent
J. I. Moffatt ..... Brandon Yard Superintendent

# chairman's letter

Dear Fellow Hog Producers:

First of all, congratulations to all the hog producers of Manitoba for your continuing faith in the hog industry. You have once again exceeded our targeted production of 1.2 million hogs per year. 1982 will go on record as being one of the best years ever.

We have seen hog prices climb to record highs, while production costs have dropped significantly; namely feed cost and interest rates, thus allowing a very profitable year. The average market price increased from $67.41 cwt. in 1981 to $80.61 cwt. in 1982.

Your Board continues to use the same strong marketing methods and Management is doing an excellent job of selling all the hogs produced in the Province at the least possible inconvenience to you, the producer. Should changes in the marketing of your hogs be necessary in 1983 it will be done with the idea that it must benefit you, the producer.

This past year was not without problems. One particular concern was the J.M. Schneider Ltd. strike which placed the Board in a position to sharply increase the level of live hog exports — upwards of 18% in the last quarter.

The production of 1.2 million hogs at a price of $80.61 cwt. generated $168 million in cash farm receipts. The spin-off effect to the total economy in Manitoba will be near $1 billion. This is certainly a major industry. With all the 'gloom and doom' during 1982, the hog industry was indeed the bright spot in a very sluggish economy.

I would once again like to thank the Board of Directors and the Delegates for their co-operation and input, making my role much easier. Might I use the phrase of one of the steel companies — "Our product is steel but our strength is people". In our case "Our product is pork but our strength is people".

I continue to believe that we can go into 1983 with a good deal of optimism. The December 1982 U.S. Hog Report shows further production declines. The effect of the Danish Foot and Mouth Disease, coupled with ample feed grain supplies and lower interest rates, will have a positive bearing on what the future holds for 1983.

May you have good production and strong markets throughout the year. It has been a pleasure working on your behalf.

Wm. Vaags
Chairman

# 1982-83 board of directors

Left to right: Bill Munro, MHPMB Manager; Walter Mazinke, St. Jean (District 5); Ed Kleinsasser, Sunnyside Colony (District 8); Ken Foster, Arborg (District 6); Chairman W. (Bill) Vaags, Dugald (District 7); Doug Zarn, Reston (District 2); Russ Phillips, Dauphin (District 4); Ken Johnston, Killarney (District 1); Vice-Chairman Weldon Newton, Neepawa (District 3).

## 1982 MHPMB district delegates and officers

**DISTRICT 1**
Ken Johnston, Killarney — Director
Dave Day, Deloraine — Secretary
Bert Neufeld, Boissevain
Don McEwan, Altamont
Don Dobson, Manitou
Leon Sanders, Manitou
Glen Wallcraft, La Riviere

**DISTRICT 2**
Doug Zarn, Reston — Director
Garry M. Walker, Carberry — Secretary
Bob Smith, Carroll
George Vercaigne, Brandon
Doug Wilson, Reston
Ron Perchak, Edwin
Doug Head, Treherne

**DISTRICT 3**
Weldon Newton, Neepawa — Director
Doug McDonald, Strathclair — Secretary
Dunc Broadfoot, Gladstone
Bob Uhl, Erickson
Garry A. Tolton, Newdale
Stanley Yaskiw, Birtle

**DISTRICT 4**
Russ Phillips, Dauphin — Director
Hilton Caverly, Bowsman — Secretary
Eggert Sigurdson, Swan River
Gordon Ferriss, Bowsman
Jim Pavlin, Dauphin
Acey Brinkman, Grandview

**DISTRICT 5**
Walter Mazinke, St. Jean — Director
Lloyd Stoesz, Altona — Secretary
*Walter Anderson, Morris
Frank Hildebrand, Altona
Herman Martens, Rosenort
Brian Cramer, Carman
Bob Larcombe, Poplar Point
Terry Veenendaal, Carman
Robert R. Holloway, Sperling

**DISTRICT 6**
Ken Foster, Arborg — Director
Leslie Jacobson, Arborg — Secretary
Jack Rutherford, Grosse Isle
Karl E. Lange, Moosehorn
Gerald R. Thompson, Teulon
Edwin Ryden, Eriksdale

**DISTRICT 7**
Bill Vaags, Dugald
Board Chairman and Director
Kai Winther, Dufresne — Secretary
John Loewen, Steinbach
John N. Janzen, Dominion City
Peter Dyck, Arnaud
Cornie van Aert, Beausejour
Joe Van Schepdael, East Selkirk
Eric Peters, Randolph
Hank Riese, Winnipeg

**DISTRICT 8**
Ed Kleinsasser, Sunnyside Colony — Director
Jake Hofer, Elm River Colony — Secretary
Albert Waldner, Rosedale Colony
Josh Hofer, Jr., James Valley Colony
Dan Kleinsasser, Crystal Springs Colony
Sam Waldner, Waldheim Colony
Sam Hofer, Rock Lake Colony
Peter Hofer, Wellwood Colony
Sam Hofer, Woodland Colony

*Deceased

# manager's remarks

The Eighteenth Annual Report, Auditor's Report and Financial Statements of the Manitoba Hog Producers' Marketing Board for the year ending December 31, 1982 is hereby presented for your approval.

The statistical tables and graphs outlined in the report summarize Manitoba's position with respect to numbers of production units, marketings, prices, inspected slaughter, pork exports and imports, and carcass quality, with comparative figures for the year previous.

Of particular interest and importance is the fact that Manitoba's production increased 2.2% in 1982, a continuation of a growth pattern over the past seven years. In addition, this province's growth was counter to a contraction in production in other major hog producing regions in North America.

Hog prices strengthened sharply for the third consecutive year, averaging a record breaking $80.61 cwt., based on quarterly prices of $67.36, $83.95, $92.43 and $79.90. The year's average was up $13.20 cwt. or 19.6% from 1981.

During the year the Board exported 83,000 hogs to the U.S. and 35,000 to Eastern and Western Canada and was pleased to be able to maintain price relativity of $1.00 to $3.00 below other major North American markets.

For the fifth consecutive year, the Canadian pork industry enjoyed a significant positive net trade balance. Pork exports to the U.S.A., Japan and other countries were up 28% at 167,000 metric tonnes. Imports of 13,700 metric tonnes were down a similar percentage. The resultant trade surplus, valued in excess of $500 million, added measurably to Canada's economy.

Canada replaced Denmark as the major supplier of pork to the Japanese market in 1982, garnering 31.5% of their import requirements. A further outbreak of Foot and Mouth Disease in Denmark in January, 1983 will assist our industry to maintain or increase its market share.

During the year under review the Board's Pork Sales Department sold 60 container loads of fresh and frozen pork cuts to accounts in other provinces, U.S.A., Japan and the Dominican Republic.

The Board was pleased to renew publication of a monthly "Hog Market News" for all producers in the province as an adjunct to our co-publishing of the quarterly Western Hog Journal magazine.

During the year, a major expansion to the Board's Office and Yard facilities in St. Boniface was completed and at year end we were enjoying the use of the reconstructed facilities at Brandon.

We are pleased to publish the results of our "TOP 20" Hog Quality Competition. This year's double winners were Mr. Don Burton of Swan River and Mr. Allan Plett of Steinbach in the two volume categories, with average quality index scores of 107.7 and 106.286 respectively. In the eight district competitions, a total of 57 production units have been consistent winners of five years or more. Also worthy of note that 39 production units were honored for the first time — assuring an improvement in overall hog quality in the province.

The Manitoba Hog Producers' Marketing Board was pleased to assist in the management and administration of the Manitoba Hog Income Insurance Plan during the last two years. Support payments of $9.7 million were paid to approximately 2,000 production units in the program in four of the eight calendar quarters. Residual premium and investment funds of $1.78 million were dispersed to participating producers on a pro-rata basis in January, 1983. It is hoped and anticipated a new Hog Income Insurance program will be in place early in 1983.

During the year under review your Board of Directors and Management continued their active participation in a host of allied agricultural and hog industry related organizations — major among them being the Canadian Pork Council, Western Hog Marketing Committee and the Manitoba Farm Bureau.

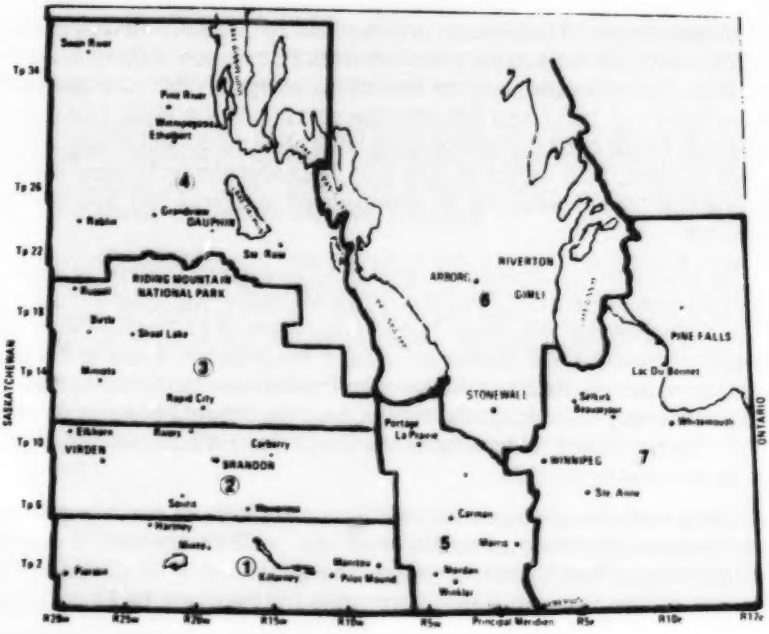
The financial statements in this report reflect the affairs of the Manitoba Hog Producers' Marketing Board for the twelve month period ending December 31, 1982. Net Revenue after a $300,000 or 25¢ per hog allocation to Market Development, Pork Promotion and Research, exceeded $1.97 million — an increase of 7.5%. Operating expenditures of $1.44 million were up 13.9%, resulting in net operating income of $465,000.

On behalf of the Board of Directors, Administration and Staff, please accept our thanks for your continuing interest and support.

W. B. Munro
Manager

# MHPMB district map and production breakdown for 1982

*The following is a sketch map of the Province showing MHPMB District Boundaries.*




| MHPMB DISTRICT MARKETINGS — 1982 | | | | |
|---|---|---|---|---|
| MHPMB DISTRICT | NUMBER OF ACTIVE PRODUCTION UNITS | | TOTAL MARKETINGS | |
| | 1982 | 1981 | 1982 | 1981 |
| #1 — Southern | 527 | 632 | 131,010 | 132,373 |
| #2 — West-Central | 347 | 451 | 57,892 | 68,598 |
| #3 — North-Central | 352 | 421 | 46,894 | 50,268 |
| #4 — North-West | 348 | 458 | 38,373 | 46,183 |
| #5 — Central Plains | 627 | 698 | 181,415 | 183,323 |
| #6 — Interlake | 287 | 331 | 80,310 | 85,371 |
| #7 — Red River East | 648 | 697 | 293,463 | 272,411 |
| #8 — Hutterite Colonies* | 72 | 71 | 348,722 | 320,155 |
| TOTAL | 3,208 | 3,759 | 1,178,079** | 1,158,682** |

*District 8 is not defined by boundaries but encompasses all Hutterite Colonies in the Province that are duly registered as hog producers.

**Includes only hogs sold by registered hog producers in each of the eight M.H.P.M.B. districts.

## MHPMB HOG DISTRICT MARKETINGS BY SALES RANGE — 1982

| SALES RANGE | DISTRICT 1 | | DISTRICT 2 | | DISTRICT 3 | | DISTRICT 4 | | DISTRICT 5 | | DISTRICT 6 | | DISTRICT 7 | | DISTRICT 8 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | NO. UNITS | % HOGS | NO. UNITS | % HOGS | NO. UNITS | % HOGS | NO. UNITS | % HOGS | NO. UNITS | % HOGS | NO. UNITS | % HOGS | NO. UNITS | % HOGS | NO. UNITS | % HOGS |
| 1 - 100 | 296 | 6.5 | 248 | 10.5 | 247 | 12.2 | 263 | 14.7 | 314 | 4.8 | 171 | 5.5 | 312 | 2.5 | 2 | .1 |
| 101 - 200 | 55 | 6.3 | 30 | 7.6 | 28 | 8.5 | 32 | 11.8 | 66 | 5.2 | 17 | 3.2 | 53 | 2.5 | — | — |
| 201 - 500 | 94 | 22.4 | 42 | 22.6 | 54 | 36.7 | 29 | 23.9 | 132 | 25.6 | 40 | 16.0 | 91 | 11.0 | 1 | .1 |
| 501 - 1000 | 54 | 28.3 | 16 | 19.9 | 18 | 25.9 | 20 | 34.9 | 78 | 30.0 | 36 | 31.4 | 107 | 25.6 | — | — |
| 1001 - 2000 | 20 | 20.5 | 9 | 21.4 | 4 | 11.1 | 3 | 8.7 | 30 | 22.4 | 20 | 32.9 | 64 | 29.9 | 2 | .7 |
| 2001 - 5000 | 8 | 16.0 | — | — | 1 | 5.7 | 1 | 6.1 | 6 | 9.1 | 3 | 11.1 | 18 | 16.3 | 34 | 36.0 |
| 5001 - 10000 | — | — | 2 | 18.1 | — | — | — | — | 1 | 2.9 | — | — | 2 | 4.5 | 32 | 60.1 |
| 10001 & Over | — | — | — | — | — | — | — | — | — | — | — | — | 1 | 7.8 | 1 | 3.1 |

The number of units selling 201 or more hogs totalled 1074 in 1982. This compares to 1118 units in the same sales range in 1981. Total hog sales from these units accounted for 92.5 percent of Manitoba marketings in 1982 as compared to 90.4 percent of the 1981 total. The number of units marketing less than 200 hogs decreased by 506 from 1981. A sizeable number of these units are weanling units and market only sows and boars.

# 1982 in review
# statistical information pertaining to hog production, prices, imports and exports

**TABLE 1. MANITOBA PRICE AND SALES SUMMARY**

| MONTH | AVERAGE FOR 100 INDEX HOGS F.O.B. WINNIPEG | #1 SOWS D.W. | TOTAL SALES |
|---|---|---|---|
| JANUARY | 62.53 | 45.55 | 92,740 |
| FEBRUARY | 67.66 | 54.34 | 99,289 |
| *MARCH | 70.83 | 57.10 | 121,103 |
| APRIL | 75.61 | 61.30 | 93,139 |
| MAY | 84.87 | 66.00 | 93,044 |
| *JUNE | 90.33 | 71.60 | 107,787 |
| JULY | 91.07 | 73.28 | 89,090 |
| AUGUST | 92.47 | 74.45 | 87,635 |
| *SEPTEMBER | 93.48 | 74.50 | 110,161 |
| OCTOBER | 86.82 | 73.56 | 91,582 |
| NOVEMBER | 76.09 | 67.18 | 93,780 |
| **DECEMBER | 77.67 | 64.00 | 127,036 |
| 1982 | Av. 80.61 | Av. 65.45 | 1,206,386 |
| 1981 | Av. 67.41 | Av. 52.70 | 1,180,869 |
| 1980 | Av. 56.66 | Av. 43.94 | 1,196,426 |
| 5 YEAR AVERAGE | 62.57 | | |
| 10 YEAR AVERAGE | 56.58 | | |

*Denotes 5 Week Months
**Denotes 6 Week Month

The Board's sales for 1982 increased by 25,517 head or 2.2 percent over 1981. The 100 index hog price was up $13.20 per cwt. while No. 1 sows were up $12.75 per cwt. An all-time monthly average record high price of $93.48 per cwt. was recorded in September of 1982.

**TABLE 2**
**MANITOBA — HOG MARKETING BY QUARTERS — 1982**

| | JAN.-MAR. 1st QUARTER | APR.-JUNE 2nd QUARTER | JULY-SEPT. 3rd QUARTER | OCT.-DEC. 4th QUARTER | TOTAL |
|---|---|---|---|---|---|
| HOGS | 304,519 | 286,522 | 279,210 | 304,777 | 1,175,028 |
| SOWS | 7,178 | 5,819 | 6,187 | 6,016 | 25,200 |
| BOARS | 1,435 | 1,629 | 1,489 | 1,605 | 6,158 |
| TOTAL (1982) | 313,132 | 293,970 | 286,886 | 312,398 | 1,206,386 |
| TOTAL (1981) | 308,926 | 300,559 | 280,809 | 290,574 | 1,180,869 |
| TOTAL (1980) | 303,409 | 310,826 | 291,558 | 290,633 | 1,196,426 |
| % CHANGE 82/81 | + 1.4 | - 2.2 | + 2.2 | + 7.5 | + 2.2 |

Quarterly marketings showed a slight increase at the beginning of the year, then fell off over the next six months, and closing out the year with a 7.5 percent increase. The over-all increase came about in the face of depressed markets in 1981 and reflects the nature of Manitoba's committed hog production base. Sow marketings were down by 12.5 percent for the year, while Boar sales were off 5 percent.

## TABLE 3
## INSPECTED HOG SLAUGHTER — 1982
## *CANADA AND UNITED STATES

| PROVINCE OF ORIGIN | FEDERAL AND PROVINCIAL SLAUGHTER VOLUME | | % CHANGE 82/81 |
|---|---|---|---|
| | 1982 | 1981 | |
| BRITISH COLUMBIA | 324,874 | 338,579 | – 4.9 |
| ALBERTA | 1,527,542 | 1,580,747 | – 4.4 |
| SASKATCHEWAN | 566,952 | 654,079 | – 14.2 |
| MANITOBA | 1,130,686 | 1,166,808 | – 4.0 |
| TOTAL WEST | 3,550,054 | 3,740,213 | – 6.0 |
| ONTARIO | 4,194,775 | 4,060,090 | + 2.0 |
| QUEBEC | 4,601,841 | 4,735,490 | – 3.8 |
| MARITIMES | 539,436 | 509,939 | + 4.4 |
| TOTAL EAST | 9,336,052 | 9,305,519 | – 0.8 |
| TOTAL CANADA | 12,886,106 | 13,045,732 | – 2.3 |
| TOTAL UNITED STATES | 80,611,955 | 87,850,000 | – 9.2 |

*Source — Agriculture Canada

Canadian hog slaughter showed a drop of 2.3 percent in 1982 with the West down 6.0 percent and the East off .8 percent. U.S. slaughter was down about 7 million head or 9.2 percent for the year. While Manitoba slaughter showed a 4 percent decline as against a production increase of 2 percent, the explanation lies in the fact that the J.M. Schneider company was on strike for the last 10 weeks of 1982, plus a general pattern of lower local slaughter ratio to total marketings in the province.

## TABLE 4
## FRESH AND FROZEN PORK EXPORTS

| EXPORTED TO | LBS. | | % CHANGE 82/81 |
|---|---|---|---|
| | 1982 | 1981 | |
| UNITED STATES | 250,451,000 | 173,758,000 | + 44.1 |
| JAPAN | 96,137,000 | 90,370,000 | + 6.4 |
| OTHER COUNTRIES | 21,737,000 | 22,770,000 | – 4.5 |
| TOTAL | 368,325,000 | 286,898,000 | + 28.4 |

Shipments of pork to the U.S. increased by 77 million pounds or 44.1 percent, while Japanese purchases were up 6 million pounds or 6.4 percent.

## TABLE 5
## FRESH AND FROZEN PORK IMPORTS

| IMPORTED FROM | LBS. | | % CHANGE 82/81 |
|---|---|---|---|
| | 1982 | 1981 | |
| UNITED STATES | 27,962,000 | 37,069,000 | – 24.6 |
| OTHER COUNTRIES | 2,369,000 | 3,174,000 | – 25.4 |
| TOTAL | 30,331,000 | 40,243,000 | – 24.6 |

Over-all pork imports dropped 10 million pounds in 1982. This figure was largely accounted for in the import reduction volume from the United States.

## TABLE 6

## HOG CARCASS INDEXING REVIEW — 1982

| INDEX(S) | PERCENTAGE INDEXED | |
|---|---|---|
| | MANITOBA | CANADA |
| 114 & 113 | .4 | .4 |
| 112 & 110 | 3.9 | 4.3 |
| 108 | 5.8 | 6.5 |
| 107 | 10.1 | 11.1 |
| 105 | 14.8 | 15.4 |
| 103 | 16.7 | 16.0 |
| 102 | 15.6 | 14.7 |
| 100 | 12.3 | 10.9 |
| 98 & 97 | 12.5 | 11.1 |
| 95, 93 & 92 | 3.2 | 3.1 |
| 90,88,87 & 85 | 1.6 | 2.7 |
| 83,82 & 80 | 1.0 | 1.9 |
| LIGHTS | .8 | .9 |
| RIDGLINGS | .5 | .3 |
| 1982 — 102 & OVER | 67.3 | 68.4 |
| 1981 — 102 & OVER | 65.8 | 68.7 |
| 1980 — 102 & OVER | 59.1 | 65.2 |

The number of Manitoba hogs indexing 102 and up increased 1.5 percent in 1982. The provincial figure of 67.3 percent 102 & up is now closer to the national percentage of 68.4 than in any year.

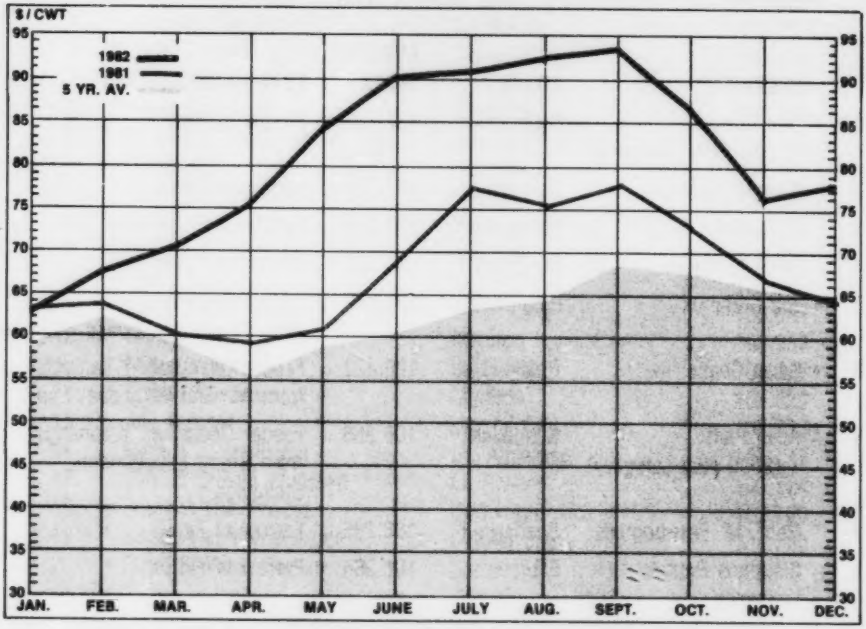
## TABLE 7

## MANITOBA HOG CARCASS WEIGHT DISTRIBUTION

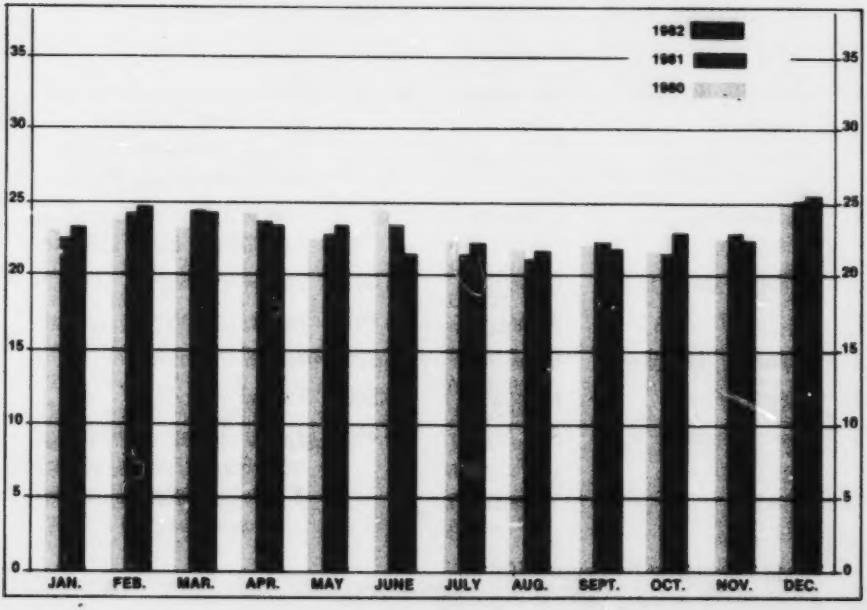
| RANGE (LBS.) | % CARCASSES | |
|---|---|---|
| | 1982 | 1981 |
| UNDER 120 | .5 | .7 |
| 120 - 129 | .7 | .9 |
| 130 - 139 | 2.0 | 2.5 |
| 140 - 149 | 6.3 | 7.2 |
| 150 - 159 | 15.8 | 16.9 |
| 160 - 169 | 26.6 | 26.3 |
| 170 - 179 | 26.0 | 24.5 |
| 180 - 189 | 14.0 | 13.3 |
| 190 - 199 | 5.1 | 5.1 |
| OVER 200 | 2.4 | 2.6 |

The number of hog carcasses weighing 150 lbs. or less was reduced by 1.8 percent in 1982, with 9.5 percent weighing under 149 lbs. Figures indicate that 82.4 percent of Manitoba's slaughter fell within the 150-189 lb. preferred weight range.

## AVERAGE MONTHLY HOG PRICES
## F.O.B. — WINNIPEG




## AVERAGE WEEKLY MANITOBA MARKETINGS



# "THE TOP 20"
# PROVINCIAL WINNERS 1982

| | PRODUCER | TOWN | AVERAGE INDEX | TYPE OF OPERATION |
|---|---|---|---|---|
| 1. | Don Burton (200-1999 Category) | Swan River | 107.701 | Farrow to Finish |
| 2. | Alan M. Safiniuk | Balmoral | 107.333 | Farrow to Finish |
| 3. | G. Norberg & Sons | Marquette | 107.276 | Farrow to Finish |
| 4. | * Gilles E. Nayet | St. Pierre | 106.632 | Farrow to Finish |
| 5. | • Joe Stefanuk | Petersfield | 106.567 | Feeder Operation. Weanlings from T. van der Zweep, Balmoral |
| 6. | • Garth Chase | Roblin | 106.422 | Feeder Operation. Weanlings from Armand Larocque, San Clara |
| 7. | * Allan Plett (2000 plus category) | Steinbach | 106.286 | Feeder Operation. Weanlings from Bruno Leppelmann, Steinbach |
| 8. | * Robt. M. Bourbonnais | Beausejour | 106.285 | Farrow to Finish |
| 9. | Claude & Patrick Lachance | Elie | 106.264 | Farrow to Finish |
| 10. | * Jake P. Nikkel | Ste. Anne | 106.257 | Farrow to Finish |
| 11. | * Peter L. Dyck | Roseisle | 106.227 | Farrow to Finish |
| 12. | • Morgan H. McDonald | Gunton | 106.038 | Farrow to Finish |
| 13. | * Peter B. Reimer & Sons | Steinbach | 105.812 | Farrow to Finish |
| 14. | * Peter W. Barkman | Ste. Anne | 105.723 | Mainly Farrow to Finish. Some weanlings from: Morgan McDonald, Gunton; Gordon McDonald, Manitou |
| 15. | R. Lawrence Esler | La Riviere | 105.713 | Feeder Operation. Weanlings from Donald Esler, LaRiviere |
| 16. | * Amroy Farms Ltd. | Carberry | 105.691 | Farrow to Finish |
| 17. | * Firman Brothers | Arborg | 105.681 | Farrow to Finish |
| 18. | James D. Farquhar | Birtle | 105.520 | Farrow to Finish |
| 19. | * Newton Farms | Neepawa | 105.509 | Farrow to Finish |
| 20. | Cornie Penner | Ste. Anne | 105.496 | Feeder Operation. Weanlings from Edmar Friesen, Steinbach & Ben K. Friesen, Steinbach |

* Indicates new to Provincial "TOP 20"
• Indicates 5 or more years in Provincial "TOP 20"

## "TOP 20" DISTRICT #1

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | R. Lawrence Esler | La Riviere | 105.713 |
| 2. | * Dave Tiessen | Crystal City | 105.136 |
| 3. | Edward Grift | Swan Lake | 104.660 |
| 4. | * Kevin Archibald | Killarney | 104.636 |
| 5. | • Clifford J. McCallum | Boissevain | 104.548 |
| 6. | Douglas R. Dobson | Manitou | 104.474 |
| 7. | * Russell J. Boulton | Reston | 104.357 |
| 8. | Dennis Warkentin | Baldur | 104.284 |
| 9. | George A. Klassen | Manitou | 104.082 |
| 10. | Henry Comte | Notre Dame | 104.080 |
| 11. | • Jules Bouwman | Swan Lake | 103.981 |
| 12. | Donald L. Dobson | Manitou | 103.952 |
| 13. | * Milton Warkentin | Cartwright | 103.927 |
| 14. | * Arthur Klassen | Manitou | 103.826 |
| 15. | Abe Reimer | Crystal City | 103.753 |
| 16. | Gerard D. DeVlieger | St. Alphonse | 103.747 |
| 17. | Glen & Steven Wallcraft | La Riviere | 103.724 |
| 18. | • Frank & Ron Froese | Cartwright | 103.720 |
| 19. | * Roger Van Wynsberghe | Crystal City | 103.720 |
| 20. | • Remi & Marie Demare | Somerset | 103.718 |

## "TOP 20" DISTRICT NO. #2

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | Amroy Farms Ltd. | Carberry | 105.691 |
| 2. | • Jake Peters | Wawanesa | 105.162 |
| 3. | • Diedrich P. Thiessen | Cromer | 104.617 |
| 4. | John K. Guthrie | Reston | 104.203 |
| 5. | • Robert Ronald Smith | Carroll | 104.013 |
| 6. | • Sandy Spring Farms Ltd. | Wawanesa | 103.883 |
| 7. | Raymond Delaquis | Notre Dame | 103.682 |
| 8. | • Leonard Plett | Wawanesa | 103.656 |
| 9. | Clare L. Drysdale | Brookdale | 103.539 |
| 10. | • Sandy Oak Farm | Glenboro | 103.477 |
| 11. | Doug Zarn | Reston | 103.182 |
| 12. | G.R.R. Enterprises | Carroll | 103.158 |
| 13. | Carl & Cheryl Gibb | Nesbitt | 103.010 |
| 14. | Nestor Van Den Bussche | Holland | 102.954 |
| 15. | • J.P. Wiebe & Sons | MacGregor | 102.925 |
| 16. | • Peter K. Reimer | Wawanesa | 102.922 |
| 17. | * Ken & Linda Van Deynze | Treherne | 102.791 |
| 18. | * E.E. Bueckert | Austin | 102.499 |
| 19. | Edward Plett | Wawanesa | 102.468 |
| 20. | * Firdale Farms | Austin | 102.466 |

*Indicates new to District Top 20 •Indicates 5 or more years in District Top 20

## "TOP 20" DISTRICT #3

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | • James D. Farquhar | Birtle | 105.520 |
| 2. | • Newton Farms | Neepawa | 105.509 |
| 3. | Ken A. Farquhar | Birtle | 105.150 |
| 4. | Garry Alan Tolton | Newdale | 104.916 |
| 5. | • Rogers Bros. | Arden | 104.735 |
| 6. | • Dudley Ford | Arden | 104.509 |
| 7. | Donald P. Gnutel | Decker | 104.077 |
| 8. | Stanley Yaskiw | Birtle | 104.051 |
| 9. | Charles J. Kingdon | Basswood | 104.000 |
| 10. | Louis Barkman | Birnie | 103.996 |
| 11. | • J.A. McDonald & Sons Ltd. | Strathclair | 103.967 |
| 12. | • Farquhar Farms Ltd. | Birtle | 103.964 |
| 13. | Ivan F. Routledge | Hamiota | 103.959 |
| 14. | * Glen Wohlgemuth | Plumas | 103.921 |
| 15. | R. Bonner | Birtle | 103.765 |
| 16. | Robert Uhl | Erickson | 103.655 |
| 17. | * Weldon M. Fehr | Gladstone | 103.261 |
| 18. | • James Arthur Anderson | Hamiota | 103.260 |
| 19. | * Zephyr-Crest Farms | Basswood | 103.126 |
| 20. | * Elbourne Orvan Boyd | Riding Mountain | 102.976 |

## "TOP 20" DISTRICT #4

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | • Don Burton | Swan River | 107.701 |
| 2. | • Garth Chase | Roblin | 106.422 |
| 3. | Acey Brinkman | Grandview | 104.779 |
| 4. | • Ardenglen Ent. Ltd. | Swan River | 104.758 |
| 5. | Barrie Hrappstead | Swan River | 104.446 |
| 6. | Dale Froese | Grandview | 104.420 |
| 7. | • Ervin Friesen | Roblin | 104.408 |
| 8. | Michael & John McIntosh | Bowsman | 104.369 |
| 9. | • Highmoor Bros. | Birch River | 103.960 |
| 10. | • Ian W. Shaw | Swan River | 103.605 |
| 11. | • Jeffrey Farm | Bowsman | 103.605 |
| 12. | • Clement Froese | Roblin | 103.368 |
| 13. | * Thiessen Bros. | Bowsman | 103.253 |
| 14. | • Abraham Wohlgemuth | Roblin | 103.155 |
| 15. | * Raymond Wohlgemuth | Swan River | 103.133 |
| 16. | Leon F. Wohlgemuth | Durban | 102.899 |
| 17. | * Marcel A. Boulbria | Gilbert Plains | 102.887 |
| 18. | * Edwin W. Penner | Swan River | 102.854 |
| 19. | • Hans C. Immerkar | Swan River | 102.760 |
| 20. | Norman James | Grandview | 102.490 |

*Indicates new to District Top 20 •Indicates 5 or more years in District Top 20

## "TOP 20" DISTRICT #5

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | Claude & Patrick Lachance | Elie | 106.264 |
| 2. | • Peter L. Dyck | Roseisle | 106.227 |
| 3. | Wes A. Eidse | Rosenort | 105.286 |
| 4. | Jake F. Enns | Homewood | 105.124 |
| 5. | * John Vandermeulen | Carman | 105.087 |
| 6. | Leonard Rance | Sperling | 104.778 |
| 7. | * Brian & Fred Hildebrand | Morden | 104.689 |
| 8. | Eleanor Loewen | Rosenort | 104.619 |
| 9. | Theo Van Dasselaar | Carman | 104.490 |
| 10. | Carl Ferris | MacDonald | 104.486 |
| 11. | • B.R. Isaac | Rosenort | 104.369 |
| 12. | • Rosemor Farms Ltd. | Miami | 104.271 |
| 13. | * Abe & Walter Sawatzky | Lowe Farm | 104.271 |
| 14. | * Larry Gluck | Lowe Farm | 104.261 |
| 15. | • Auke Bergsma | Carman | 104.167 |
| 16. | * Roy Dalrymple & Sons | Oakville | 104.090 |
| 17. | • Henry H. Klassen | Altona | 104.062 |
| 18. | Archibald W. Nichol | Oakville | 104.052 |
| 19. | * Peter Vandermeulen | Carman | 103.895 |
| 20. | * K-Line Pigs | Winkler | 103.869 |

## "TOP 20" DISTRICT #6

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | Alan M. Safiniuk | Balmoral | 107.333 |
| 2. | G. Norberg & Sons | Marquette | 107.276 |
| 3. | • Morgan H. McDonald | Gunton | 106.038 |
| 4. | * Firman Brothers | Arborg | 105.681 |
| 5. | • A. Schick | Balmoral | 105.235 |
| 6. | • Teake van der Zweep | Balmoral | 105.234 |
| 7. | • John K. Plett | Fisher Branch | 105.097 |
| 8. | Melvin Barkman | Riverton | 104.504 |
| 9. | • T.C. Enterprises | Rosser | 104.442 |
| 10. | • Gerald R. Thompson | Teulon | 104.413 |
| 11. | Norman Baldock | Winnipeg | 104.123 |
| 12. | Glen Plett | Arborg | 104.122 |
| 13. | • Eddie Brandt | Arborg | 104.058 |
| 14. | * Evergreen Plett Farms | Riverton | 104.016 |
| 15. | * R.E. Comberbach | Stonewall | 103.988 |
| 16. | V.W. Farm | Fisher Branch | 103.963 |
| 17. | • D.M. Suwala | Stonewall | 103.607 |
| 18. | * Richard H. Campbell | Teulon | 103.523 |
| 19. | • Ronald Plett | Arborg | 103.510 |
| 20. | * Hans N. Kjear | Stonewall | 103.507 |

*Indicates new to District Top 20 •Indicates 5 or more years in District Top 20

## "TOP 20" DISTRICT #7

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | Gilles E. Nayet | St. Pierre | 106.632 |
| 2. | • Joe Stefanuk | Petersfield | 106.567 |
| 3. | Allan Plett | Steinbach | 106.286 |
| 4. | * Robt. Bourbonnais | Beausejour | 106.285 |
| 5. | Jake P. Nikkel | Ste. Anne | 106.257 |
| 6. | * Peter B. Reimer & Sons | Steinbach | 105.812 |
| 7. | * Peter W. Barkman | Ste. Anne | 105.723 |
| 8. | • Cornie Penner | Ste. Anne | 105.496 |
| 9. | • John Loewen Farms Ltd. | Steinbach | 105.325 |
| 10. | Julian G. Toews | Elma | 105.077 |
| 11. | * Orlando Hiebert | Tourond | 105.020 |
| 12. | Maurice Aubin | St. Adolphe | 104.969 |
| 13. | * Walter Kathler | Arnaud | 104.917 |
| 14. | * B.W. Friesen | Randolph | 104.876 |
| 15. | * Poplar Grove Farm | Landmark | 104.793 |
| 16. | * James D. Funk | Sarto | 104.684 |
| 17. | Preun Farms | Selkirk | 104.586 |
| 18. | Dennis Wohlgemuth | Ste. Anne | 104.536 |
| 19. | * Antonia Groot | East Selkirk | 104.421 |
| 20. | William Redekop Jr. | Niverville | 104.409 |

## "TOP 20" DISTRICT #8

| | | | AVG. INDEX |
|---|---|---|---|
| 1. | • Woodland Colony | Poplar Point | 105.334 |
| 2. | Sommerfeld Colony | High Bluff | 105.320 |
| 3. | James Valley Colony | Elie | 104.765 |
| 4. | • Hillside Colony | Justice | 104.696 |
| 5. | • Clearwater Colony | Balmoral | 104.686 |
| 6. | * Huron Colony | Elie | 104.646 |
| 7. | • Spring Valley Colony | Brandon | 104.425 |
| 8. | • Wellwood Colony | Dunrea | 104.364 |
| 9. | • Newdale Colony | Souris | 104.274 |
| 10. | Decker Colony | Decker | 104.272 |
| 11. | • Greenwald Colony | Beausejour | 104.160 |
| 12. | • Cypress Colony | Cypress River | 104.092 |
| 13. | • Rock Lake Colony | Grosse Isle | 104.055 |
| 14. | Fairholme Colony | Portage la Prairie | 103.979 |
| 15. | Willowcreek Colony | Killarney | 103.895 |
| 16. | * Hillside (Treesbank) Colony | Justice | 103.744 |
| 17. | Maxwell Colony | Headingley | 103.715 |
| 18. | • Rosedale Colony | Elie | 103.697 |
| 19. | Airport Colony | MacDonald | 103.670 |
| 20. | • Mayfair Colony | Killarney | 103.628 |

*Indicates new to District Top 20 •Indicates 5 or more years in District Top 20

# auditors' report

THE MANITOBA HOG PRODUCERS' MARKETING BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 1982

Clarkson Gordon

Chartered Accountants

1800 One Lakeview Square
155 Carlton Street
Winnipeg, Canada R3C 1K8
(204) 947-6519

## AUDITORS' REPORT

To the Members of
The Manitoba Hog Producers' Marketing Board:

We have examined the balance sheet of The Manitoba Hog Producers' Marketing Board as at December 31, 1982 and the statements of revenue and expenditure, reserve for working capital and an offset to fixed asset investment, market development, pork promotion and research revenue, expenses and surplus, unallocated retained revenue, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the board as at December 31, 1982 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Clarkson Gordon

Winnipeg, Canada,
January 21, 1983.

Chartered Accountants.

THE MANITOBA HOG PRODUCERS' MARKETING BOARD
(Incorporated as a producer board under the laws of Manitoba)

BALANCE SHEET

DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| **ASSETS** | | |
| Current: | | |
| Cash in bank | $ 294,432 | $ 219,950 |
| Bank deposit receipts - interest bearing | 2,950,000 | 3,250,000 |
| Accounts receivable | 1,411,291 | 519,731 |
| Inventory of pork cuts on hand, at the lower of cost and net realizable value | 187,236 | 571,102 |
| Prepaid expenses | 25,156 | 16,102 |
| Total current assets | 4,868,115 | 4,576,885 |
| Fixed assets (note 2) | 1,221,999 | 883,739 |
| | $6,090,114 | $5,460,624 |
| **LIABILITIES** | | |
| Current: | | |
| Cheques issued and outstanding | $2,953,089 | $2,554,731 |
| Accounts payable and accrued liabilities | 137,209 | 128,267 |
| Total current liabilities | 3,090,298 | 2,682,998 |
| Members' equity: | | |
| Reserve for working capital and an offset to fixed asset investment | 1,421,999 | 1,083,739 |
| Surplus to be used for market development, pork promotion and research | 411,903 | 411,903 |
| Unallocated retained revenue | 1,165,914 | 1,281,984 |
| | 2,999,816 | 2,777,626 |
| | $6,090,114 | $5,460,624 |

On behalf of the Board:

Director

Director

(see accompanying notes)

## THE MANITOBA HOG PRODUCERS' MARKETING BOARD

### STATEMENT OF RESERVE FOR WORKING CAPITAL AND AN OFFSET TO FIXED ASSET INVESTMENT

### YEAR ENDED DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| Balance, beginning of year | $1,083,739 | $ 577,336 |
| Transfer from unallocated retained revenue | 338,260 | 506,403 |
| Balance, end of year | $1,421,999 | $1,083,739 |

### STATEMENT OF MARKET DEVELOPMENT, PORK PROMOTION AND RESEARCH REVENUE, EXPENSES AND SURPLUS

### YEAR ENDED DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| Revenue | $ 300,000 | $ 300,000 |
| Expenses: | | |
| Market development, live hog and pork exports | 362,772 | 243,203 |
| Industry association | 35,358 | 31,593 |
| Pork promotion (includes depreciation of $3,847 1981 - $5,497) | 119,641 | 117,914 |
| Research | 25,000 | 25,000 |
| | 542,771 | 417,710 |
| Excess of expenses over revenue | (242,771) | (117,710) |
| Surplus to be used for market development, pork promotion and research - | | |
| Balance, beginning of year | 411,903 | 329,613 |
| | 169,132 | 211,903 |
| Transfer from unallocated retained revenue | 242,771 | 200,000 |
| Balance, end of year | $ 411,903 | $ 411,903 |

### STATEMENT OF UNALLOCATED RETAINED REVENUE

### YEAR ENDED DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| Balance, beginning of year | $1,281,984 | $1,450,129 |
| Excess of revenue over expenditure from operations for year | 464,961 | 538,258 |
| | 1,746,945 | 1,988,387 |
| Deduct: | | |
| Transfer to reserve for working capital and an offset to fixed asset investment | 338,260 | 506,403 |
| Transfer to surplus to be used for market development, pork promotion and research | 242,771 | 200,000 |
| | 581,031 | 706,403 |
| | $1,165,914 | $1,281,984 |

(see accompanying notes)

## THE MANITOBA HOG PRODUCERS' MARKETING BOARD

## STATEMENT OF REVENUE AND EXPENDITURE

## YEAR ENDED DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| Revenue: | | |
| Gross fees | $1,679,216 | $1,395,748 |
| Less portion applicable to market development, pork promotion and research | 300,000 | 300,000 |
| | 1,379,216 | 1,095,748 |
| Interest | 516,804 | 692,562 |
| Other | 74,716 | 43,986 |
| | 1,970,736 | 1,832,296 |
| Expenditure: | | |
| Administrative and selling (schedule) | 1,442,625 | 1,266,298 |
| Depreciation | 63,150 | 27,740 |
| | 1,505,775 | 1,294,038 |
| Excess of revenue over expenditure from operations for year | $ 464,961 | $ 538,258 |

(see accompanying notes)

## THE MANITOBA HOG PRODUCERS' MARKETING BOARD

## STATEMENT OF CHANGES IN FINANCIAL POSITION

## YEAR ENDED DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| Source of funds: | | |
| Operations - | | |
| Excess of revenue over expenditure from operations for year | $ 464,961 | $ 538,258 |
| Add non-cash expenditure - Depreciation | 66,997 | 33,237 |
| | 531,958 | 571,495 |
| Proceeds on sale of hogs | 167,685,966 | 139,063,145 |
| | 168,217,924 | 139,634,640 |
| Application of funds: | | |
| Distribution on settlements, including board fees | 167,685,966 | 139,063,145 |
| Market development, pork promotion and research expenses in excess of revenue | 242,771 | 117,710 |
| Purchase of fixed assets | 405,257 | 446,786 |
| | 168,333,994 | 139,627,641 |
| Increase (decrease) in working capital | (116,070) | 6,999 |
| Working capital, beginning of year | 1,893,887 | 1,886,889 |
| Working capital, end of year | $ 1,777,817 | $ 1,893,887 |
| Represented by: | | |
| Current assets | $ 4,868,115 | $ 4,576,885 |
| Less current liabilities | 3,090,298 | 2,682,998 |
| | $ 1,777,817 | $ 1,893,887 |

(see accompanying notes)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1982

1. Significant accounting policies

(a) Nature of the board

The board was established to carry out the function of marketing hogs on behalf of the hog producers of Manitoba, including enhancing the market through market development, pork promotion and research. Accordingly, the financial statements have been prepared to reflect the operations and the activities in market development. The following is a description of how the revenue and expenses have been accounted for:

i) Revenues, expenditures and unallocated retained revenue

The board annually determines the amount of gross revenue from fees which is to be allocated for market development, pork promotion and research. The Statement of Revenue and Expenditure includes all revenues less the portion allocated to market development, pork promotion and research, and all expenses applicable to the day to day operations of the board. The excess of revenue over expenditure from operations is credited to the unallocated retained revenue.

ii) Market development, pork promotion and research

The board maintains a separate surplus account to be used for market development, pork promotion and research. The Statement of Market Development, Pork Promotion and

Research Revenue, Expenses and Surplus reflects the revenue which has been allocated for this purpose; the expenses for market development, pork promotion and research including the net costs of certain market development costs of hog export and dressed pork; the excess of expenses over revenue; and the surplus at the end of the year.

iii) Reserve for working capital and an offset to fixed asset investment

The board maintains the reserve to indicate the amount of members' equity which has been invested in net fixed assets plus an amount required for ongoing working capital.

(b) Inventory

Inventory is comprised of pork cuts and is stated at the lower of cost and market, with cost being determined on an average basis. The market value represents net realizable value determined on the basis of established markets.

(c) Revenue recognition

Revenue from fee income is recognized at the time of settlement with producers for sales made on their behalf by the board.

(d) Fixed assets

Building, furniture and equipment are recorded at cost. Normal maintenance and repair expenditures are expensed as incurred.

Depreciation is provided on the basis and at the rates set out below:

| Asset | Basis | Rates |
|---|---|---|
| Building | Straight-line | 2.5 - 15% |
| Furniture and equipment | Diminishing balance | 20 - 30% |

(e) Foreign currencies

Asset and liability accounts in foreign currencies have been translated to Canadian dollars at the rate of exchange in effect at the balance sheet date. Income and expenses have been translated at the average rate of exchange during the year. Unrealized gains or losses from exchange translation are included in the statement of income.

2. Fixed assets and fixed assets commitments

(a) Fixed assets

| | Cost | Depreciation | Net Book Value 1982 | Net Book Value 1981 |
|---|---|---|---|---|
| Building | $1,392,938 | $270,624 | $1,122,314 | $802,107 |
| Furniture and equipment | 256,778 | 157,093 | 99,685 | 81,632 |
| | $1,649,716 | $427,717 | $1,221,999 | $883,739 |

(b) Fixed assets commitments

i) Land under lease

The board has made an offer to purchase the Winnipeg land under lease as referred to in note 3. This offer to purchase has been accepted in principle at a price of $75,000 per acre for 5.53 acres. As at year end the purchase has not been completed, being subject to approval of certain zoning requirements.

ii) Building

As at year end the board had contracted to upgrade the ventilation system in the St. Boniface Assembly Yard at an approximate cost of $100,000.

3. Lease commitments

The board carries on its operations in Winnipeg on leased land under a lease expiring in 2009. The annual rent is currently $22,120 plus all property taxes and is subject to review and adjustment every five years during the term of the lease. The next lease review and adjustment date is April 1, 1984.

The board is renting the Brandon office and yard under a lease which expires at the end of 1983 and which requires a minimum annual rental of $50,795.

4. Board members' remuneration

| | 1982 | 1981 |
|---|---|---|
| Chairman's salary | $10,000 | $10,000 |
| Directors' per diem | 26,976 | 26,753 |
| Out of pocket expenses | 27,763 | 24,962 |
| | $64,739 | $61,715 |

The board consists of seven Directors and one Chairman. Directors' per diem rates are based on $75 per day. Out of pocket expenses are based on actual charges incurred.

THE MANITOBA HOG PRODUCERS' MARKETING BOARD — SCHEDULE

SCHEDULE OF ADMINISTRATIVE AND SELLING EXPENDITURE

YEAR ENDED DECEMBER 31, 1982

| | 1982 | 1981 |
|---|---|---|
| Advertising | $ 1,366 | $ 267 |
| Awards | 7,709 | 9,883 |
| Board members' remuneration, travelling and miscellaneous expenses | 64,739 | 61,715 |
| Claims and adjustments | 7,087 | 3,129 |
| Data processing | 62,880 | 63,849 |
| District meetings | 56,439 | 41,424 |
| Employee benefits | 63,676 | 62,561 |
| Insurance | 40,523 | 36,125 |
| Land lease | 22,120 | 15,052 |
| Light, heat and water | 69,477 | 40,285 |
| Maintenance and repairs | 32,232 | 17,904 |
| Memberships and subscriptions | 1,877 | 1,654 |
| Microfilming and xeroxing | 3,342 | 3,206 |
| Miscellaneous | 9,228 | 6,385 |
| Newsletter and hog journal | 13,209 | 8,668 |
| Office rental - Brandon | 4,623 | 6,000 |
| Office supplies and stationery | 21,469 | 18,221 |
| Postage | 42,439 | 19,752 |
| Professional fees | 17,155 | 15,942 |
| Provincial Health and Education Tax | 6,122 | |
| Realty and business taxes | 63,664 | 42,548 |
| Salaries | 696,399 | 630,954 |
| Stockyard rentals and expenses | 68,616 | 96,984 |
| Telephone and telegraph, net | 46,709 | 44,033 |
| Travel expenses | 15,925 | 16,882 |
| Truck wash | 3,600 | 2,875 |
| Total administrative and selling expenditure | $1,442,625 | $1,266,298 |

notes